

03-85

BEFORE THE FEDERAL COMMUNICATIONS COMMISSION

WASHINGTON, D.C. 20554

IN THE MATTER OF: * EB DOCKET NO. 08-85
BUSINESS OPTIONS, INC., * FILE NO. EB-02-TC-151
ORDER TO SHOW CAUSE AND * NAL ACCOUNT NUMBER:
NOTICE OF OPPORTUNITY * 30033217002
FOR HEARING * FRN: 0007179054

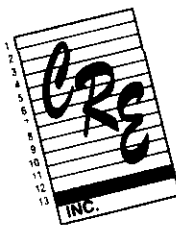
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DEPOSITION OF:

KEANAN KINTZEL,

was taken July 15, 2003, commencing at 9:30 a.m.,
at the LaQuinta Inn, 8210 Louisiana Street,
Merrillville, Indiana, before Donna J. Hannah,
Notary Public.

* * * * *



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1 APPEARANCES:

2

3 On behalf of the BUSINESS OPTIONS:

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9 On behalf of the FCC:

10 TRENT B. HARKRADER, ESQ.
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12 FEDERAL COMMUNICATIONS COMMISSION
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15 202-418-2955

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EXAMINATION BY:

PAGE:

Mr. Harkrader

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(NO EXHIBITS MARKED.)

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1 P-R-O-C-E-E-D-I-N-G-S

2 WHEREUPON --

3 KEANAN KINTZEL,

4 a Witness called for examination, having been
5 first duly sworn, was examined and testified as
6 follows:

7 EXAMINATION

8 BY MR. HARKRADER:

9 Q. Good morning.

10 A. Good morning.

11 Q. Would you please state your name for
12 the record?

13 A. Keanan Kintzel.

14 Q. Spell your first and last name,
15 please.

16 A. K-E-A-N-A-N, K-I-N-T-Z-E-L.

17 Q. Work address, please.

18 A. 8380 Louisiana Street, Merrillville,
19 Indiana. Do you want the zip?

20 Q. Sure.

21 A. 46410.

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1 Q. Is that your only work address?

2 A. It's my main office. We have an
3 Avatar office, but I am not even sure what that
4 address is.

5 Q. Okay. What is your date of birth?

6 A. Wait. I have it on a business card, I
7 think.

8 Q. Okay.

9 A. The Avatar Enterprises office is 1443
10 East 84th Place, Merrillville 46410.

11 Q. Date of birth, please.

12 A. November 8, 1962.

13 Q. Are you familiar with a company called
14 Business Options, Incorporated?

15 A. Yes.

16 Q. What does that company do?

17 A. That company is a switchless
18 long-distance telephone company.

19 Q. Are you affiliated with that company
20 in any way?

21 A. Yes.

1 Q. How so?

2 A. I am 26 percent owner at this point in
3 time.

4 Q. Have you always been a 26 percent
5 owner?

6 A. No.

7 Q. Okay.

8 A. I think around 1998 or 1999 is when I
9 got my ownership.

10 Q. Did you have any responsibilities with
11 respect to that company before '98 or '99?

12 A. In '95, I moved back from California,
13 and Kurtis, and I started a company called CFO,
14 and we ended up marketing a product, 10
15 cent-a-minute phone product for Business Options.
16 So in that respect, they were intertwined a
17 little bit.

18 Q. So you are saying CFO and Business
19 Options were intertwined?

20 A. Well, CFO was marketing a product that
21 was actually a Business Options product, yeah.

1 Q. Are you familiar with a company called
2 Buzz Telecom?

3 A. Yes.

4 Q. What does Buzz do?

5 A. Buzz now markets the Business Options
6 product -- or products, and is currently working
7 to become a switchless carrier of its own and
8 market its own products.

9 Q. For how long has Buzz Telecom been
10 marketing BOI products?

11 A. I believe it's been about a year now.
12 I think it was June or July of last year.

13 Q. Are you familiar with a company called
14 Link Technologies?

15 A. Yes.

16 Q. What is that company?

17 A. It's really nothing. It was -- I
18 don't think it ever did anything. We were having
19 some name difficulties. We had tried -- we were
20 trying to move away from the Business Options
21 name because our sales representatives -- they

1 were running into objections with customers
2 because Kurtis no longer sold to businesses.

3 So we came up with a name with "Bell,"
4 and started that company. We were told by our
5 attorneys and whatnot that that name was okay to
6 use. Then we later found out it was not. So
7 then we were on a name hunt. We went from U.S.
8 Bell to, what we cleared with our attorneys,
9 NACI, North American Communications, Inc. And
10 then when we were starting to get state-certified
11 with that company, which I thought was a good
12 name and cleared and everything, I was on the
13 Internet and found a North American
14 Communications company out on the east coast
15 somewhere. So, anyway, that was scratched. And
16 all of a sudden we had to start over, and then we
17 went to Link, and I think that name lasted a few
18 weeks. And then all of a sudden it went to Buzz.

19 Q. Are you familiar with a company called
20 Crusade Communications?

21 A. Yes.

1 Q. What does that company do, or what did
2 it do?

3 A. It's no longer in business. It was
4 before U.S. Bell, and the idea was to market
5 telecommunications products with kind of a
6 philanthropic flair, adding cause marketing. We
7 were going to donate a certain percentage of all
8 the proceeds to charity.

9 Q. Okay. How did that -- if you could
10 kind of help me, how did Crusade Communications
11 fit into the Buzz, BOI, U.S. Bell family?

12 A. In terms of --

13 Q. In terms of chronology.

14 A. Oh, okay. It was before all of those.

15 Q. Okay.

16 A. It was -- I don't know exactly when it
17 stopped doing business, but it was kind of a
18 short-lived venture. Kurtis primarily ran that
19 and was trying to, again, create a whole new
20 niche market for telecommunications, and it
21 didn't really succeed. So it shut down, and then

1 later is when we came up with U.S. Bell.

2 Q. Is part of your responsibilities -- or
3 maybe just what you did, were you heavily
4 involved with the various name changes when you
5 attempted to change the name of the company?

6 A. I was involved as far as creation.
7 You know, I did a lot of surveys and read through
8 a couple of dictionaries, actually, trying to
9 come up with good names. But as far as the
10 legalities of it, I had nothing to do that. It
11 was Bill Brzycki who was coordinating with our
12 lawyers.

13 Q. What kind of work generally did you do
14 find a new name for the company?

15 A. Well, basically, as far as I am
16 concerned, I literally went through a dictionary
17 and wrote down a list of anything that I thought
18 was a good idea and had come up on a couple of
19 different occasions -- well, whenever this would
20 occur, when we found out we had a -- you know,
21 once we had a name, we'd go with it. But then

1 we'd come back from our attorneys later saying,
2 "Oops, we can't use U.S. Bell," or, "NACI is
3 already being used," and we'd start the process
4 all over again.

5 So what I would do is come up with 10
6 or 15 names that I thought were good marketing
7 names. And then we would survey our staff,
8 vendors, family members to see what they thought.
9 And then we'd try the process again.

10 Q. Did you come up with the name,
11 "Business Options, Incorporated?"

12 A. No, that was Kurtis. I was in
13 California when he founded the company. He
14 founded it I think in '92, and I hooked back up
15 with Kurtis in -- when was it -- January of '95.

16 Q. Were you -- Had you previously been in
17 business with him before you went out to
18 California or while you were out in California?

19 A. Yeah. What happened is I finished
20 school out in Arizona with a business and
21 engineering degree, a pilot's license. I was

1 actually going to be a commercial pilot. My dad
2 retired from American Airlines at that time, and
3 Kurtis had finished school here in Indiana. So
4 the three of us hooked up and started an aircraft
5 brokerage business in Orange County. Then Kurtis
6 and I -- we did that for a year, as well as some
7 direct sales projects. Then I stayed in
8 California, and he elected to move back home
9 after our grandfather had died, and he moved into
10 his house and formed Business Options.

11 Q. Did you come up with the name for U.S.
12 Bell?

13 A. Kurtis and I did, actually. We were
14 driving back from our sister's in North Carolina.

15 Q. What about Buzz Telecom, did you come
16 up with that name?

17 A. That's all Kurtis.

18 Q. Did you come up with NACI?

19 A. Yeah, that was me.

20 Q. I'd like to go back to the 2002 time
21 period. Were you employed by Business Options at

1 that time?

2 A. In 2002? Avatar Enterprises.

3 Q. What is Avatar's relationship with
4 Business Options, if any?

5 A. We set up Avatar as a management
6 company to help with the administrative, main
7 management type stuff, keeping legal and stuff
8 like that, basically. Our goal is to create
9 independent businesses that Avatar can kind of
10 oversee as far as the management.

11 Q. Did you and Kurtis set up Avatar?

12 A. Yes.

13 Q. Did you have any responsibilities with
14 respect to the operations of BOI, or was it all
15 through Avatar?

16 A. Well, BOI basically, with its state
17 certificates and licenses and whatnot, became
18 a -- well, it is a switchless carrier. And then
19 Buzz Telecom was marketing -- well, formerly U.S.
20 Bell and then Buzz was marketing Business Option
21 products. So from that sense, I was involved. I

1 mean, I was employed by Avatar, but my day-to-
2 day functions were basically making sure that
3 people showed up at work; customers got sold,
4 delivered; some quality control; payroll was met;
5 that kind of stuff.

6 Q. Were you paid by Avatar?

7 A. Yes.

8 Q. Do you have any sort of a position
9 with Avatar, either in 2002 or now?

10 A. I'm the -- I mean, I owner. I'm 26
11 percent owner, as I am with Buzz. I am 26
12 percent owner of the businesses that Kurtis and I
13 have together.

14 Q. Which include Avatar, Business
15 Options, Buzz?

16 A. Yes.

17 Q. Are there any others?

18 A. There's a company called Total Bus. --
19 well, actually, it's Total Bus.-247, which is a
20 d/b/a of -- the actual company name is Galiant, I
21 believe.

1 Q. Okay.

2 A. And then there's one other -- HBOS,
3 which was Home Business Options, but it's doing
4 business as Facilitel up in the 26th Street
5 section of Chicago.

6 Q. And -- Well, by the way, I probably
7 should have said this earlier, but if at any time
8 you don't understand one of my questions, which
9 is entirely likely --

10 A. Okay.

11 Q. -- please let me know. If you don't
12 know anything, let me know --

13 A. Okay.

14 Q. -- and we can work together --

15 A. Okay.

16 Q. - to figure out what I am asking.

17 A. Okay.

18 Q. Because a lot of times my questions
19 won't be that clear; that's not a problem.

20 A. Okay. Thanks.

21 Q. Tell me about HBOS. Is that existing

1 now?

2 A. Yes.

3 Q. What does that do?

4 A. It was originally set up by Kurtis to
5 do some direct sales. And we had -- the guy's
6 name was John Breck from St. Louis. And, anyway,
7 they had a couple of ideas that just never panned
8 out. And then we had an opportunity to acquire
9 this company, Facilitel. So HBOS acquired
10 Facilitel, which is actually a d/b/a from the
11 original owners. They called it ATS, (inaudible
12 Spanish word), and they had the local phone
13 company in Chicago where they marketed primarily
14 to the Hispanic market prepaid local phone
15 service. And then we took it over basically, and
16 we tried to move it from instead of prepaid to
17 more of a normal -- like (inaudible) was
18 Ameritech. That would be the best way to explain
19 it. So that's what it does.

20 Q. And does that company still exist
21 today?

1 A. Barely.

2 Q. I appreciate your candor on that.

3 A. Yeah.

4 Q. Do you also hold a director position
5 with Business Options?

6 A. Um --

7 Q. Are you on the Board of Directors of
8 Business Options?

9 A. I should be. In looking at some of
10 our corporate books, I'm not really positive if
11 I'm actually officially entered as a director.
12 But I should be, yes.

13 Q. What about with respect to Buzz
14 Telecom?

15 A. I should be a director with every
16 company that we have.

17 Q. In the same way that you are roughly
18 26 percent owner?

19 A. Correct.

20 Q. When was the last meeting of the
21 Business Options Board of Directors that you can

1 recall?

2 A. Let's see. Maybe a month or two ago
3 we had our attorney over from Valparaiso, Russ
4 Millbranth, and we did it then.

5 Q. Was Kurtis at that meeting?

6 A. Yes.

7 Q. Were there any other directors at that
8 meeting?

9 A. No.

10 Q. The attorney, you and Kurtis?

11 A. And I believe Shannon Dennie sat in on
12 the meeting to kind of take notes and stuff.

13 Q. Okay. Was that also a Buzz Telecom
14 Board of Directors meeting?

15 A. Yeah. My understanding is that Russ
16 Millbranth was updating the books for every one
17 of our companies. So we did a board meeting as
18 such.

19 Q. When do you recall the last board
20 meeting before that one was with respect to BOI?

21 A. Well, Kurtis and I would meet

1 periodically, but unofficially. And then he
2 would meet with Russ, and I don't really know
3 dates on that. But we did have an official --
4 The last official meeting I can recall was out in
5 Las Vegas with -- at that point, Andrew Hastings
6 was on the board. And Russ was out there, our
7 attorney. So we all rendezvoused and had a
8 meeting, and that was maybe -- I'm guessing at
9 this point, but maybe '97 or '98.

10 Q. Okay. When was the last Board of
11 Directors meeting that you can recall for Buzz
12 Telecom before the one a month or two ago?

13 A. That probably would have been when we
14 set up the company a year ago.

15 Q. You mentioned earlier that your
16 responsibilities with respect to Business Options
17 was personnel, making sure people showed up on
18 time. Can you expand on that a little bit? Did
19 you do -- For example, were you involved in the
20 hiring?

21 A. I'm sorry, did you say Business

1 Options?

2 Q. Yes.

3 A. Okay. I don't believe Business
4 Options has had a payroll, per se, for over two
5 years now.

6 Q. Okay.

7 A. I'd have to double-check, but it's
8 since we went to U.S. Bell.

9 Q. And then subsequently to --

10 A. Buzz.

11 Q. -- Buzz Telecom?

12 A. Correct. I believe that U.S. Bell --
13 let me see if I can recall. It seems like the
14 beginning of 2001, or maybe even a little bit
15 prior to that, is when U.S. Bell -- well, I'm not
16 really positive. We'd have to look.

17 Q. Yeah, I think we have some documents
18 that can confirm that -- that your brother spoke
19 to yesterday.

20 A. Okay.

21 Q. So I think we're comfortable with

1 those dates.

2 A. Okay. And then do you mean Business
3 Options, like for all the companies?

4 Q. Well, yeah. I think for the purposes
5 of this next group of questions that I'd like to
6 talk about -- you know, I know that all the
7 people who are employed -- all the personnel over
8 there do, you know, Business Options work or are
9 employed by Buzz Telecom. So I think I would be
10 using those two companies somewhat
11 synonymously --

12 A. Okay.

13 Q. -- if that would make it easier.

14 A. Okay.

15 Q. I mean I have a good understanding
16 that Business Options doesn't have a payroll;
17 that everyone was employed by Buzz; and that you
18 work for Avatar --

19 A. Okay.

20 Q. -- doing primarily Buzz and BOI work;
21 is that correct?

1 A. Yes. Yes, that's correct.

2 Q. All right.

3 A. And just to clarify, we have payroll
4 with Avatar, Buzz, HBOS or Facilitel, and then
5 TB-247, which is separate.

6 Q. Okay. I think for the purposes of
7 this deposition; at least until I ask you
8 something differently; you don't need to worry
9 too much about HBOS --

10 A. Okay.

11 Q. -- or Facilitel and Galiant or TB-247.

12 A. Okay.

13 Q. We are just going to focus on Buzz and
14 BOI and to the extent that Avatar comes into
15 play.

16 A. Okay.

17 Q. We will work on that.

18 A. Okay.

19 Q. Did you do hiring in 2001 or 2002 for
20 U.S. Bell, BOI or Buzz?

21 A. Yeah, I would have been senior to that

1 area.

2 Q. Who worked for you during that time
3 period?

4 A. Let's see. As far like in charge of
5 hiring, is that your question?

6 Q. Yes.

7 A. Well, we had a number of people. We
8 had Kelly Adwell, Bill Brzycki, Gene Chill,
9 Angela Steiner. And they had different directors
10 of personnel involved.

11 Q. Let's start with Bill Brzycki. Did
12 you hire him?

13 A. Good question. No, he was hired in it
14 seems like the fall of '95. I don't know if
15 Kurtis directly hired him or if Kurtis had a
16 human resource person do it. I really don't
17 know.

18 Q. How long did you work with Bill
19 Brzycki?

20 A. Off and on from '95 through -- he left
21 I think it was in October, maybe November of last

1 year.

2 Q. What kind of responsibilities did he
3 have under you?

4 A. Well, the way we have our organization
5 set up is we have a seven division organization.
6 We have an organizational board or organizational
7 chart, and Bill had -- the last few years,
8 anyway, Bill was in charge of divisions one and
9 two, which I was senior to that -- to Bill as the
10 executive director. So he was the vice president
11 of administration, and he oversaw division two,
12 which was a re-marketing to our customer base of
13 other products. But, quite frankly, we never
14 successfully ever re-marketed anything other than
15 the initial product. So that division really
16 never did anything other than -- Well, that's not
17 true. He created some calling cards and stuff
18 like that in that area, some publications, if you
19 will.

20 Q. Okay.

21 A. But division one was human resources.

1 So that was everything from hiring and firing,
2 inspections, reports, communications, stuff like
3 that.

4 And then he was also posted over in
5 division seven over the corporate affairs or
6 legal department, we sometimes call it. But that
7 division is actually separated out on purpose.

8 Divisions one through six are kind of
9 the day-to-day operations -- hiring, running of
10 the personnel, treasury, delivery, quality
11 control and new customer acquisition. And then
12 division seven sits over on the side and is
13 directly directed to Kurtis is what I am trying
14 to say. So Kurtis was Bill's boss on corporate
15 affairs and legal. So I really was not that
16 involved with that kind of stuff. Although I
17 must say that looking at it now, I should have
18 been more involved.

19 Q. With the division seven?

20 A. Just knowing more about what goes on
21 in the telecom business as far as the regulations